

No Draft AMT Bill Has Been Released

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Your June 14 editorial on the Alternative Minimum Tax ("100% Marginal Tax Rate¹") took several liberties that I'd like to correct. First and foremost, the Ways and Means Committee has not released any draft tax legislation dealing with the AMT. Regardless of any document or news report you may cite, such a plan has not been introduced, even in draft form.

Second, your editorial fails to note that President Bush's own budget proposal insists that permanent AMT relief be paid for with offsetting revenue increases. Unless your editorial page is simply interested in launching partisan attacks, it should note that members of both parties are seeking to offset the cost of permanent minimum tax relief.

Finally, your editorial ignores critical facts. In 2001 and 2003, Congress and the administration deliberately used the AMT to reduce the cost of their tax policies. It was common knowledge that the fine print of the AMT would take back many of the tax benefits promised families in the big print of the bill. My good friend Sen. Chuck Grassley publicly acknowledged the fact that the AMT would take back the tax cut for many people. Within months of the enactment of the 2001 tax cut, a Treasury economist acknowledged the dramatic take-back of the tax cuts through the AMT. The effect of the Bush tax cuts on the AMT is so devastating that the Joint Committee on Taxation recently estimated that approximately two-thirds of all AMT liabilities will disappear if the Bush tax cuts terminate.

Your editorial page is entitled to its unique opinion, but your readers expect you to base those opinions upon facts. Failure to do so only complicates a necessary and honest debate on the future of America's tax policy.

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